

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4263
ANSWERED ON:04.05.2007
PLIGHT OF BEEDI WORKERS
Karunakaran Shri P.

Will the Minister of FINANCE be pleased to state:

- (a) whether the government has realized the fact that recent hike in the taxes in Beedi would adversely affect the sector; and
- (b) if so, the reaction of the Government?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b) In this year's budget, Government had increased the specific rate of excise duty (excluding Labour Welfare Cess) on hand made biris from Rs.7 to Rs.11 per thousand and on machine made biris from Rs.17 to Rs. 24 per thousand. After the budget, Government had received a number of representations requesting for reconsideration of the increase in excise duty. These representations have been examined, and with effect from 03.05.2007, Government has reduced excise duty (excluding Labour Welfare Cess) on hand made biris from Rs. 11 to Rs. 9 per thousand and on machine made biris, from Rs.24 to Rs. 21 per thousand.